NOVA SCOTIA
HOUSING DEVELOPMENT CORPORATION

BUSINESS PLAN

FISCAL YEAR 2007-2008

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MESSAGE FROM THE CHAIR AND THE PRESIDENT

On behalf of the Nova Scotia Housing Development Corporation, we are pleased to present the corporation's 2007-2008 Business Plan.

In concert with the Department of Community Services, the corporation provides the base upon which to build healthy and sustainable communities and the foundation for Nova Scotia's families to grow and prosper. Access to safe, adequate and affordable housing is fundamental to personal well being, providing a safe place for families to live and raise children, and enabling them to participate in the social and economic life of the province.

Beginning in 2007-2008, the corporation will be assessing its current lending practices and identifying new lending opportunities that will enable government to maximize its investment in social and supported housing. This multi-year project will begin with preliminary background research with the goal of having a clear position, mandate and policy on mortgage lending.

Sincerely,

Judy Streatch
Chair, Nova Scotia Housing Development Corporation

Marian F. Tyson, Q.C.
President, Nova Scotia Housing Development Corporation

1.0 MISSION/MANDATE

The Nova Scotia Housing Development Corporation, created in 1986, provides financing for government's social and supported housing programs. It is responsible for holding the province's social housing assets and consolidating the revenues and expenditures associated with operating these assets.

Governed by the *Nova Scotia Housing Development Corporation Act*, the corporation's activities include:

- the acquisition and disposal of real estate
- negotiating agreements
- borrowing and investing funds
- lending money and guaranteeing payments
- mortgaging property

The Minister of Community Services is the corporation's Chairperson and the Deputy Minister is the President. The staff of the Department of Community Services carry out the management and administration functions of the corporation, but are not direct employees and receive no remuneration from the corporation.

2.0 STRATEGIC GOALS

The goals of the Housing Development Corporation are to:

- foster healthy communities through innovative housing solutions
- ensure access to a supply of safe, appropriate, affordable and sustainable housing

3.0 LINK TO THE CORPORATE PATH

In setting the planning direction for the 2007-2008 fiscal year, the government has developed a Corporate Path. The Corporate Path, described below, lays out the foundation for a prosperous Nova Scotia by setting a direction which focuses on *Creating Winning Conditions*, *Seizing New Economic Opportunities*, and *Building for Individuals, Families and Communities*.

The work of the Nova Scotia Housing Development Corporation is aligned with building for individuals, families and communities.

The Corporate Path's Direction and Priorities
Vision: Building for Families, Building for the Future

Creating Winning Conditions	Seizing New Economic Opportunities	Building for Individuals, Families and Communities
Globally Competitive Business Climate	Leader in Information Technology	Healthy, Active Nova Scotians
Globally Competitive Workforce	Leader in R&D and Innovation	Accessible Services
Globally Competitive Connections	Leader in Clean & Green Economy	Safe Communities
		Vibrant Communities

4.0 Core Businesses, Priorities & Performance Measures

4.1 Core Business Areas

The corporation's core business function are:

- managing the province's social housing funds and assets
- providing financing to social and supportive housing projects
- negotiating agreements and securing funding to enable the delivery of housing programs

4.2 2007-2008 Priorities

The Nova Scotia Housing Development Corporation secures the necessary funding and manages the related assets that enable the Department of Community Services to provide programs which address the housing needs of Nova Scotians. The following priority is in addition to the many ongoing activities that Community Services staff carry out on behalf of the corporation.

Priority: Policy Development

Beginning in 2007-2008, the corporation will be assessing its current lending practices and identifying new lending opportunities that will enable government to maximize its investment in social and supported housing. This multi-year project will begin with preliminary background research with the goal of having a clear position, mandate and policy on mortgage lending.

4.3 Performance Measures

Core Business Area: Manage the province's social housing funds and assets.					
Outcome	**Measure**	**Data**	**Target 2007-08**	**Target 2010-11**	**Strategic Action**
Financial reserve funds are adequate, risk of loss to the province is minimized.	% of co-operative housing organizations who achieve a ranking of Level I or a High Level II based on an annual assessment of their financial, democratic and physical condition	2005-06 (BY): 63%[1]	68%	75%	Implement a process to conduct visits with the Coops on a three year cycle to monitor performance based on ranking criteria. Implement an inspection process, based on five year intervals, to assess the level of reserve funding, and ensure plans are in place for capital replacement. Explore early intervention practices.
Core Business Area: Provide financing to social housing projects.					
Outcome	**Measure**	**Data**	**Target 2007-08**	**Target 2010-11**	**Strategic Action**
Government has additional options in managing capital financing for government sponsored housing.	Number of social housing projects receiving financing assistance and/or mortgage guarantees.	2005-06 (BY): 10 projects at a total borrowing of $12.87 million	Assist a minimum of three housing projects per year.	Assist a minimum of three housing projects per year.	Assess current lending practices and identifying new lending opportunities. The Corporation will continue to foster and pursue partnering opportunities with other departments and government agencies.

[1]Based on 85% of the portfolio; information on the remaining 15% not yet available.

Core Business Area: Enabling the delivery of social housing programs through funding agreements.					
Outcome	**Measure**	**Data Base Year (BY)**	**Target 2007-08**	**Target 2010-11**	**Strategic Action**
More households in safe, appropriate, affordable and sustainable housing.	% of the public housing budget allocated to the maintenance and capital improvement of the province's public housing	2005-06 (BY): 25.3%	Maintain at 20% or more	Maintain at 20% or more	Continue implementation of maintenance regime based on regular inspections using a combination of contracted labour and staff resources. Update multi-year capital works plans and schedule work to ensure completion of construction projects within fiscal year.
	Number of households assisted through funding made available under the Housing Renovation Program Agreement.	March 2006 (BY): 874 units, 74 beds	Maximize the benefits associated with housing repairs for those most in need, based on the funds available in each fiscal year.	Maximize the benefits associated with housing repairs for those most in need, based on the funds available in each fiscal year.	Utilize the full annual funding available for renovation programs.

5.0 BUDGET

The following two tables provide information on the Corporation's funding and expenditures.

Nova Scotia Housing Development Corporation Funding			
Funding Source	**2006-07 Estimate**	**2006-07 Forecast**	**2007-08 Estimate**
Revenue from Government Sources	115,100	98,800	117,900
Revenue from Rents	49,500	50,300	50,600
Interest, Revenue from Land Sales and Other Revenue	3,000	3,500	3,500
Total Funding	**167,600**	**152,600**	**172,000**

Nova Scotia Housing Development Corporation Expenditures			
Expenditure Source	**2006-07 Estimate**	**2006-07 Forecast**	**2007-08 Estimate**
Interest on Long Term Debt	31,000	27,000	26,000
Property Management and Operations	44,000	42,600	43,900
Maintenance and Capital Improvements	27,500	26,100	28,700
Housing Renovation and Affordable Housing	28,100	13,200	24,300
Transfer to Housing Services*	19,500	28,900	35,000
Amortization of Investment in Social Housing	14,500	11,800	11,100
Administration Fee and Cost of Land Sold	3,000	3,000	3,000
Total Expenditures	**167,600**	**152,600**	**172,000**

* Under the terms of the Canada Nova Scotia Social Housing Agreement, CMHC transfers the Federal subsidies to the Corporation monthly. A portion of this funding is then transferred to the programs division of the Department of Community Services for Social Housing program subsidies. In addition, gross program expenditures under the Affordable Housing agreement and The New Home Renovation agreement are included in the forecast and estimate amounts.